

5.5. CONTRACT WO5583 - WARNERS BRIDGE CONSTRUCTION PROJECT

REPORT AUTHOR	Pieter Kleinhans, Coordinator Civil Operations
MANAGER	Natasha Murray, Manager Infrastructure
DEPARTMENT	Infrastructure

RECOMMENDATION

That Council resolves to:

1. **Enter into contract WO5583 - Warners Bridge Construction Project with NQ Civil Contractors Pty Ltd ABN 12 123 756 490 to the value of \$938,277.00 (GST Exclusive);**
2. **Reallocate the required shortfall during the December budget review; and**
3. **Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer be to negotiate, finalise and execute any and all matters associated with the Contract.**

EXECUTIVE SUMMARY

Under the Bridge Renewal Program Round 5 (BRP), Queensland Government and Councils work together to fund the upgrade and replacement of bridges to enhance access for local communities and facilitate higher productivity vehicle access.

In the Ordinary Council Meeting on 24 November 2020, Council resolved to enter into a funding agreement with the Australian Government under the Bridge Renewal Program Round five.

An open tender for construction of the proposed Warners Bridge was advertised through the Vendor Panel Online Platform. Council received four (4) submissions in total. These tenders were accepted and evaluated by Douglas Shire Council officers.

The evaluation in accordance with Council's procurement procedures, resulted in awarding a submission from NQ Civil Contractors Pty Ltd.

The tender price of \$938,277.00 (GST exclusive), submitted by NQ Civil Contractors Pty Ltd was the lower of the three (3) conforming tenders and their submission scored above average across all the assessment categories. NQ Civil Contractors Pty Ltd has been operating as a Principal Contractor delivering similar projects in the region and successfully delivered other similar and larger sized Bridge renewal projects across Far North Queensland.

This report recommends that Council resolve to enter into a contract with NQ Civil Contractors Pty Ltd to deliver the construction phase of the Warners Bridge Project.

BACKGROUND

The new structure will be a single span concrete road bridge. The new concrete bridge will be constructed next to the existing timber bridge which will become a rail bridge and ownership will be transferred to the Mill.

Council released an open invitation for contractors to submit a tender for construction of the bridge, as part of a request for tender (RFT) process through the Vendor Panel Online Platform. The request for tender closed on 8 September 2021. A site meeting was held on Wednesday 18 August 2021 to provide an overview of the project and allow contractors to identify site constraints and site risks.

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation) provide the legislative framework for Local Government procurement in Queensland. More specifically, section 104 of the Act states that when entering a contract, the local government must have regard to sound contracting principles.

Chapter 4 - 6, Part 3 of the Regulation outlines the process for tendering to enter a large-sized contract (i.e. \$200,000.00 or more). Council must invite written tenders before making a contract for the carrying out of work, or the supply of goods or services with a contract sum greater than \$200,000.00 (excluding GST) or another amount as set out in the Act or Regulation.

To assist with achieving legislative compliance and to meet Council's objectives for the project, Council prepared an evaluation methodology outlining the process for managing the RFT procurement process. The objectives of this evaluation methodology are to:

- document the proposed approach intended to ensure principles of conformity, accountability, competition, fairness, equity and integrity;
- provide a professional, fair and equal framework for the evaluation of responses to the RFT;
- ensure that adequate records are kept of the evaluation process to provide a suitable audit trail, and
- ensure that decisions made during the selection process are transparent and defensible.

The evaluation methodology defined criteria weightings applied in the assessment of tenders received. Council officers formed the evaluation panel to administer, facilitate and assess RFT submissions.

Four (4) submissions were received. The relevant companies and their respective lump sum values are listed below in Table 1 and 2:

Table 1. Received conforming submissions

Name of Tenderer – Conforming Tenders	Price (excl. GST)
NQ Civil Contractors Pty Ltd	\$ 938,277.00
Durack Civil	\$ 958,03.43
Bama Services	\$ 1,298,529.29

Table 2. Received non-conforming submissions

Name of Tenderer – Non Conforming Tenders	Price (excl. GST)
Bluemont (supplier of Kyowa Filter Units)	

In accordance with the evaluation methodology, the panel evaluated each tender using the assessment criteria and applied the following weightings:

- **Management and Control Systems - (mandatory)** Management and Control systems in regards to Safety, Environmental, Quality, and Risk Management
- **Price – 50%** value for money – competitiveness of the submission taking into account all tendered fees/costs and price adjustments for risks/omissions/qualifications;
- **Methodology and Program – 10%** Delivery Methodology, Approach, Risks, Issues and Departures Degree to which proposal complies with the requirements of the RFT and understanding of the project requirements. Key technical and program issues and proposed solutions;
- **Capability – 10%** Capabilities, Experience and Resources of the tenderer.
- **Capacity – 10%** Available Capacities of Tenderer and key personnel in delivering the service requirements of this project type (i.e. civil construction works) to a Far North regional area and local authority; and
- **Local Business and Employment – 20%** Participation and development of competitive local business, industry and employment opportunities within the shire.

The responses were received within the requested timeframes and were considered by the evaluation panel in their assessment. Each Tenderers score and rankings are shown in Table 3.

Table 3. Tenderer's Ranking and Scoring

Weighted Score Table							
Tenderer	Price (50%)	Capability (10%)	Capacity (10%)	Program and Methodology (10%)	Local Business and Employment (20%)	Total %	Ranking
NQ Civil Contractors	50.0	8.5	7.5	7.8	15.3	88.8	1
2	49.5	6.8	6.0	6.2	17.0	85.5	2
3	40.1	5.3	6.7	6.3	16.0	73.4	3
Notes: Green indicates highest score. Red indicates lowest score.							

The green shading in the above table indicates the highest score for the criteria and the red shading indicates the lowest score for the criteria.

Based on the results of the evaluation, NQ Civil Contractors Pty Ltd is the recommended tenderer for the contract. NQ Civil Contractors Pty Ltd provided a comprehensive submission in terms identifying an innovative solution that supports and improves, logistics and timeframes. The submission also highlighted the contractor's capacity and experience to take on the scope.

NQ Civil Contractors Pty Ltd were further assessed to identify any potential risks or shortcomings in their submission, including:

- checking of quantities for alignment with RFT;
- traffic control methodology;
- review of program and any methodologies offered; and
- analysis of rates tendered and confirmation of project delivery at lump sum tender value.

At the conclusion of the tender evaluation, it was determined that NQ Civil Contractors Pty Ltd provided the best overall value for money submission based on their experience and Tender price. NQ Civil Contractors Pty Ltd was the highest ranked conforming tender at a price of \$938,277.00 GST exclusive and consistently scored very well on all tender evaluation criteria.

NQ Civil Contractors Pty Ltd demonstrated above average for delivery methodology, understanding of the project requirements, capabilities, experience and resources.

PROPOSAL

That Council resolve to:

1. Enter into contract WO5583 Warners Bridge Construction Project with NQ Civil Contractors Pty Ltd ABN 12 123 756 490 to the value of \$938,277.00 (GST Exclusive);
2. Reallocate the required shortfall during the December budget review; and
3. Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer be to negotiate, finalise and execute any and all matters associated with the contract.

FINANCIAL/RESOURCE IMPLICATIONS

Council has entered into a funding agreement with Australian Government and secured funding partnership of \$500,000.00 for this project. This allocation has been directly sourced from the Australian Government, Bridge Renewal Program Round 5.

Council 50% contribution of \$500,000.00 is allocated in the 2021/22 Council Budget. The NQ Civil Contractors Pty Ltd tender price is \$938,277.00 excl. GST.

Due to the increase in steel and concrete prices as well as the required Pilling there is a shortfall of \$213,277.00. Half of the shortfall will be requested through a variation from the BRP funding and half needs to be reallocated during the December budget review.

Council has allocated the following amounts in the capital budget 20/21.

Table 4. Budget and Expenditure

Financial Year Budget 20/21	Amount (excl. GST)
Project Budget	\$1,000,000.00
Expended to Date (as at 16/09/2021)	\$185,000.00
Budget Available	\$815,000.00
Recommended Tender Price (RTP)	\$938,277.00
Project Management (2%)	\$20,000.00
Administration Cost (2%)	\$20,000.00
Contingency (5% of RTP)	\$50,000.00
Total Project Costs	\$1,213,277.00
Additional Budget Required	-\$213,277.00

A 17% shortfall is expected due to the rise of materials since the Funding application in 2019 commenced. Council will request a variation from Bridge Renewal Program Round 5 (BRP) and the 50% Council contribution will be allocated after the December Budget Review.

RISK MANAGEMENT IMPLICATIONS

NQ Civil Contractors Pty Ltd has completed similar projects as the Principal Contractor and the Council tender assessment identified their tender value and their experience in a Principal Contractor role as a low risk. Council contract supervision and project management for this project will ensure regular communication, understanding of the construction processes and timeframes are maintained to the required standard. Traffic delays are expected to be minor during construction for the installation of the single span concrete road bridge. These will be mitigated through community notification, construction updates and efficient construction techniques and management.

SUSTAINABILITY IMPLICATIONS

Economic: Bridge construction will provide direct and indirect employment for contractors and suppliers. The construction of new bridges will ensure on-going community access for the residents beyond the bridge to Mossman and Port Douglas, the commercial business districts within the Douglas Shire, as well as improved safety for motorists, cyclists and heavy vehicle operators. Annual bridge inspections have indicated continual dilapidation of the bridge.

Environmental: The projects comply with environmental and industry standards. New single clear span bridge will reduce influences from debris being caught against existing multi span structures.

Social: Safe bridges are integral to continued community connectivity and access.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 1 - Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy and we welcome all new arrivals as part of our broader community.

Goal 3 - We will develop programs that promote health, well-being and safety in the community.

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in

environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Builder/Owner Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

CONSULTATION

Internal: Management Team, Grants Officer, Community Liaison Officer.

External: Infrastructure consultants (for load assessments and condition inspection reports), sugar mill representatives, property owners, coach company, accommodation provider, adventure business.

COMMUNITY ENGAGEMENT

Warners Bridge at the start of the Cassowary Valley, services all of the cane farms in that Valley. Community engagement identified concerns the bridge could collapse under the weight of a train pulling loaded bins, a cane harvester, or loaded haul-out machines. Also, wheel path boards are not wide enough for car tyres, and can be slippery in dry and wet conditions.

ATTACHMENTS

1. Bridges Renewal Program Round 5 - Warners Bridge and Anichs Bridge [5.5.1 - 6 pages]

5.7. BRIDGES RENEWAL PROGRAM ROUND 5 - WARNERS BRIDGE AND ANICHS BRIDGE

REPORT AUTHORS	Michael Matthews, Project Engineer Helen Coulthard, Grants Officer
MANAGER	Natasha Murray, Manager Infrastructure
DEPARTMENT	Infrastructure Services

RECOMMENDATION

That Council:

1. **Accepts the funding offer of \$500,000.00 (GST Exc) from the Australian Government's Bridges Renewal Program Round Five for the Warners Bridge Replacement project;**
2. **Commits the required 50% co-contribution of \$500,000.00 (GST Exc) in 2021-22 Budget towards the Warners Bridge Replacement project;**
3. **Accepts the funding offer of \$440,000.00 (GST Exc) from the Australian Government's Bridges Renewal Program Round Five for the Anichs Bridge Replacement project;**
4. **Commits the required 50% co-contribution of \$440,000.00 (GST Exc) in 2021-22 Budget towards the Anichs Bridge Replacement project;**
5. **Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to determine and finalise any matters associated with the above matter.**

EXECUTIVE SUMMARY

Council submitted two funding applications to the Bridges Renewal Project Round Five to replace Anichs and Warners Bridges. Both proposals were successful, receiving offers of funding. Under the terms and conditions of the funding, documentation is required to be returned to the funder by 30 November 2020.

This report seeks Council's commitment to allocate funds in the 2021-22 Budget for the 50% co-contribution.

BACKGROUND

The Australian Government's Bridges Renewal Program (BRP) provides up to 50 percent of the total cost of eligible projects to enhance access for local communities and facilitate higher productivity vehicle access.

To be eligible under Round Five of BRP:

- Proponents must be a state/territory government, or local government entity eligible for [Roads to Recovery](#) funding. (Private entities are not permitted to apply);

- The bridge/s must be publicly accessible;
- Proponents must provide an engineer's report (not more than three years old) and a letter from the Council agreeing to match Australian Government funding, as evidence they are ready to proceed;
- In the case of proposals seeking funding for the repair/replacement of bridges affected by natural disasters, a current engineer's report detailing the level of damage and potential impact on the community must be provided;
- Proponents must contribute at least 50 percent of costs – which can comprise state/territory/council and/or private sector funding, including funding from other Australian Government funding programs including Roads to Recovery, and Financial Assistance Grants;
- Construction must not have commenced, or be due to commence, and tenders must not have been awarded. Construction means actual on ground works at the project site and/or the fabrication of major components off site. In the case of natural disasters, clearance of damaged infrastructure is not being considered commencement of construction where it directly relates to remediation proposals.
- Construction prior to Departmental advice that your project can commence may result in funding for the project being withdrawn by the Department;
- Construction must be scheduled to start within 12 months after the signing of a Project Approval Instrument and be completed no later than 24 months after the signing of the Project Approval Instrument.

Round Five opened 17 March 2020 and closed 29 May 2020. On 28 October 2020 Council received correspondence advising of successful funding for the two projects submitted.

COMMENT

Funding submissions were accompanied by letters from the Chief Executive Officer confirming Council's Ten-Year Capital Works Program included Warners and Anichs Bridges, allocating \$80,000.00 each (GST Exc) for detailed designs in 2020-21, funded by Council, and \$500,000.00 (GST Exc) and \$440,000.00 (GST Exc) respectively, for contributions towards construction costs in 2021-22.

A formal Council resolution is to be provided with the signed funding agreement confirming Council's agreement to match Australian Government Funding.

Warners Bridge is a single lane dual-purpose timber bridge has a 10t load limit, with sugar cane trains, harvesters, tractors and cane haulout machinery, motorists and cyclists using the bridge. It is located on Warners Road, Cassowary. While use of the bridge may continue for public access within the load limit, the load limit imposes limits to heavy vehicle movements.

The proposed new bridge downstream will have an increased load limit with reduced costs associated with maintenance and debris removal after floods and annual cane harvesting season.

Anichs Bridge is a single lane, one span steel girder dual purpose bridge with a 13t load limit, with sugar cane trains, motorists, adventure tourism and cyclists using the bridge. It is located on Finlayvale Road, Finlayvale. While use of the bridge may continue for public access within the load limit, the current load limit imposes limits to heavy vehicle movements.

The increased load and safety of the new combined use bridge (road and rail) will ensure the sugar cane growers located beyond the bridge will be able to have their sugar cane transported to the local sugar mill.

Harvesting contractors will be able to safely transport heavy machinery such as cane harvesters, tractors and haulage across the creek. Tourist buses and coaches will have safer access to the tourism accommodation resort upstream from the bridge.

PROPOSAL

The proposal is for Council to:

1. Accept the funding offer of \$500,000.00 (GST Exc) from the Australian Government's Bridges Renewal Program Round Five for the Warners Bridge Replacement project;
2. Commit the required 50% co-contribution of \$500,000.00 (GST Exc) in 2021-22 Budget towards the Warners Bridge Replacement project;
3. Accept the funding offer of \$440,000.00 (GST Exc) from the Australian Government's Bridges Renewal Program Round Five for the Anichs Bridge Replacement project;
4. Commit the required 50% co-contribution of \$440,000.00 (GST Exc) in 2021-22 Budget towards the Anichs Bridge Replacement project;
5. Delegate authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to determine and finalise any matters associated with the above matter.

FINANCIAL/RESOURCE IMPLICATIONS

Funds for Council's required 50% co-contribution have not been adopted in the current or future budgets. A formal Council resolution needs to be provided with the signed funding agreement confirming Council's agreement to match Australian Government Funding.

RISK MANAGEMENT IMPLICATIONS

Construction of the projects must commence within 12 months of the signing of the offers of funding and be completed no later than 24 months from the signing of the offers of funding.

Grant payments will be made on the achievement of project milestones.

Project risks will be mitigated through the systematic application of internal project management systems. Project management will be the responsibility of a Council Officer, supported by officers from finance, procurement and corporate communications, to ensure all conditions of the funding agreement are met.

SUSTAINABILITY IMPLICATIONS

Economic: Bridge construction will provide direct and indirect employment for contractors and suppliers. The construction of new bridges will ensure on-going community access for the residents beyond the bridge to Mossman and Port Douglas, the commercial business districts within the Douglas Shire, as well as improved safety for motorists, cyclists and heavy vehicle operators. Annual bridge inspections have indicated continual dilapidation of the bridges.

The increased load and safety of the new bridges will ensure harvesting contractors will be able to safely transport heavy machinery such as cane harvesters, tractors and haulage across the creeks. Anichs Bridge is also an important transport link for tourist accommodation and adventure businesses.

Environmental: The projects comply with environmental and industry standards. New single clear span bridge will reduce influences from debris being caught against existing multi span structures.

Social: Safe bridges are integral to continued community connectivity and access.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

Theme 4 - Inclusive Engagement, Planning and Partnerships

In delivering for our communities, economy and environment, Douglas Shire will ensure open and transparent engagement and communication. We will develop robust strategic plans and we will partner with our community and key stakeholders.

Goal 3 - We will recognise the critical role that our partners play in planning and delivering vital programs and services.

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

Goal 2 - We will put the customer at the centre of our service delivery and process improvement as we deliver efficient and appropriate services based on community expectations.

Goal 3 - We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Advocate	Council makes representation on behalf of the community on important issues, funding opportunities, projects and programs. Council will use its influence to seek the best outcomes for the community.
Agent	On occasion, Council delivers services or builds infrastructure on behalf of other levels of government or organisations.
Builder/Owner	Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.
Custodian	Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.
Facilitator	Council often brings stakeholders together on important issues, projects or for service delivery. In this role, Council can act as a mediator, connector, collaborator or initiator.
Service Provider	Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

CONSULTATION

Internal: Management Team, Grants Officer, Community Liaison Officer

External: Infrastructure consultants (for load assessments and condition inspection reports), sugar mill representatives, property owners, coach company, accommodation provider, adventure business

COMMUNITY ENGAGEMENT

Property owners affected by Anichs Bridge were advised of the proposed project, with further consultation to be undertaken prior to commencement advising of the altered traffic route during construction.

Sugar mill and bus representatives were also informed of the proposal. Further consultation will be carried out with harvesting and tour operators prior to construction.

Warners Bridge at the start of the Cassowary Valley, services all of the cane farms in that valley. Community engagement identified concerns the bridge could collapse under the weight of a train pulling loaded bins, a cane harvester, or loaded haul-out machines. Also, wheel path boards are not wide enough for car tires, and can be slippery in dry and wet conditions.

Letters of support accompanied both funding proposals.

ATTACHMENTS

Nil